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Russia Divvying Up Crimean Resorts After Annexation

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The government has started divvying up state-owned Crimean health retreats among Russian agencies and companies, though many of them are in no fit state to receive guests, Kommersant reported Monday.

"After the referendum in Crimea, all government property on the territory went to the [new Russian] republic. Now the Crimean authorities are transferring institutional health retreats and sanatoriums to the relevant Russian ministries and departments," a representative of the administration of Deputy Prime Minister Dmitry Kozak, who is in charge of assimilating Crimea into the Russian state, told Kommersant.

With its annexation of the Crimean peninsula from Ukraine in March, Russia gained 467 health spas, 232 hotels, 92 children's health camps and 517 kilometers of beach previously owned by the Ukrainian government, the report said. About 31 billion rubles ($882 million)

of state funds are to be spent on developing the region's tourism infrastructure.

The state currently owns 180 to 190 health resorts, but about half of them are in a state of disrepair, a representative of the Crimean resorts and tourism department told Kommersant. He said the ones that are in poor condition could be given to buyers who are prepared to take on their repair, while the other half could be transferred to government agencies or state-owned companies.

The Interior Ministry announced last week that it had been handed control of five health resorts, including the Izumrud in Yevpatoria, the report said. State-owned monopoly Russian Railways, whose chief, Vladimir Yakunin, is a close ally of President Vladimir Putin, will take over properties currently run by Crimean Railways, an unidentified government source said.

About another 100 health retreats will be transferred to ministries and large state companies, the report said.

The Federal Tourism Agency in May urged state-owned corporations and big businesses to treat their employees to vacations in Crimea to prevent a collapse of the peninsula's tourism industry, which has been hit by the Ukraine crisis and the annexation. Hoteliers on the peninsula have said that up to 70 percent of their clients used to come from Ukraine.

The Culture Ministry said that it works with certain health resorts, but would not take ownership of them, while the Energy Ministry and Russian Post both said that they have no plans to either manage Crimea resorts or to send their staff there on vacation.

State oil producer Rosneft said only that Crimea is included in its program for organizing employees' holidays.

Russian Railways declined to comment.

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